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JOINT INSPECTION UNIT

Accountability, management improvement and oversight in the United Nations system

Note by the Secretary-General

Addendum

The Secretary-General has the honour to submit to the General Assembly his comments on the report of the Joint Inspection Unit entitled "Accountability, management improvement and oversight in the United Nations system" (A/50/503 and Add.1).

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ANNEX

Comments of the Secretary-General

I. GENERAL

1. The topic of the report (A/50/503 and Add.1) is of particular interest at a time when the Secretary-General is pursuing a comprehensive management reform at the United Nations, with the aim of transforming it into a mission-driven, result-oriented Organization with heightened productivity, improved quality of the services provided and enhanced cost-effectiveness. The report provides a comprehensive overview and comparative analysis of efforts by organizations and agencies towards restructuring, improving managerial accountability and more effective oversight. The reference value of information contained in part II of the report (A/50/503/Add.1) is particularly helpful.

2. Many of the proposed ideas for modernizing the management practices and strengthening oversight dovetail with the measures taken by the Secretary-General to establish a transparent and cogent system of accountability and responsibility, which is being instituted as one step in the evolution of a new management culture at the Organization. 1/ With the establishment of its new system of accountability and responsibility, the United Nations Secretariat aims at spearheading the efforts currently made by the organizations of the United Nations system to strengthen their managerial cultures, management capabilities and systems, and accountability and oversight processes. The managerial reform aims to achieve an optimal decentralization of authority along with defining clear responsibility for programme delivery and strengthening the accountability for effective management of financial and human resources. The contents of the report provide some food for thought in reviewing the course of action and progress achieved in the Secretariat.

II. COMMENTS ON RECOMMENDATIONS

Recommendation 1

3. The thrust of the recommendation is well taken. However, while strategic planning, performance management, effective accountability and management improvement are part and parcel of the ongoing reform of the Secretariat, it is doubtful that centralizing all those functions in a single organizational unit, which would also be charged with addressing specific managerial techniques and contingencies, can be effective. Such excessive centralization could entail a confusion of strategic perspective with micromanagement issues, while depriving the lower levels of management of necessary initiative. The overcentralization would also be contrary to the chosen course towards delegating authority and decentralizing responsibility. The Secretary-General's preference was for using different organizational vehicles and relying on specialized expertise for pursuing strategic imperatives, advancing managerial reform in specific functional areas and enacting changes in concrete technical activities and procedures.

4. The Advisory Panel on Management and Finance, created in January 1994, became a strategic centre in advising the Secretary-General on policy issues relating to the effectiveness and efficiency of the administrative and financial functioning of the United Nations, with a view to ensuring a coherent and unified management policy within the Organization. 2/ The Panel addresses new initiatives in enhancing management, accountability and oversight, and improvements in the mechanism of programme planning and budgeting, and guides the elaboration and finalization of programmatic and budgetary determinants of the Organization's activities. The Advisory Panel has the benefit of being assisted by the Efficiency Board, which, in collaboration with programme managers, focuses on specific activities where efficiency and cost-effectiveness can be enhanced without affecting mandated programme deliveries. 3/ The Board also has the task of recommending to the Secretary-General, for his consideration and referral to Member States, those areas where mandated programmes return questionable value to Member States.

5. In specific functional areas, the ongoing improvement of management and accountability is pursued through continuous interaction between senior management. This purpose is served by the Secretary-General's Task Force on United Nations Operations, periodic meetings of programme managers in the economic and social fields convened by the Secretary-General, as well as "down-the-line" monthly meetings of senior administrative staff.

6. In concrete technical areas, the problems of improvement in management and accountability are addressed by specialized working groups, whose task is to introduce necessary adjustments in procedures and techniques within their level of competence and to provide recommendations to the Efficiency Board, as appropriate, on changes of a systemic nature. Such work is ongoing in the areas of procurement reform, contracting out options in printing, documentation and other conference services, performance evaluation and human resource planning, elimination of duplication and overlap in programme delivery, deployment of advanced technology and others.

7. The improvement of management and accountability in procurement was one of the most important reform tasks. Following the recommendations of the High-level Group of Experts on Procurement, the Procurement and Transportation Division was restructured into a commodity-based system, sustained by a section providing centralized support and management, in line with modern management practice. The new structure not only concentrates expertise where it belongs - on designated commodities - but, concomitantly, reduces the layers of supervision and releases personnel for actual procurement functions. The detailed plan of action is contained in the report of the Secretary-General of 9 February 1996 on the implementation of procurement reform (A/C.5/50/13/Rev.1).

8. The members of the High-level Group of Experts on Procurement continue to work directly with the management and the staff members of the Procurement and Transportation Division in order to bring about the reform expeditiously. One of their current priority tasks is preparing draft policies and procedures concerning procurement for consideration by the Secretariat. It is expected that these will be finalized during 1996.

9. In the context of the project of improvement in management and oversight undertaken in Conference Services, a network of focal points in the various units of Conference Services and eight action teams responsible for specific improvement projects have been established. This network, which is monitored by an executive team, including, in addition to the Director of Conference Services and the two Division Directors, selected managers and a representative of the staff, has produced some valuable results.

10. The current management issue of contracting out underlined in the recommendation is on the agenda of the Secretariat's reform. For example, the merits of an increased reliance on contractual services for translation have been recognized and the share of contractual translation in the total translation output was increased to some 17 per cent in 1995. The financial appropriation for that purpose was increased by about 30 per cent in the programme budget for the biennium 1996-1997. 4/ At the same time, one has to take into account that the market for qualified conference translators is a limited and highly competitive one, that quality considerations cannot be dismissed on the basis of cost-effectiveness alone, and that parliamentary documents to be translated with short deadlines, while requiring extensive referencing work, cannot be sent for contractual translation.

11. In connection with the enhancement of management and accountability in the area of technical cooperation activities, measures were taken during 1994-1995 to improve liaison between requisitioning and procurement staff of the Department for Development Support and Management Services, on the one hand, as well as with technical and substantive staff, on the other. Those efforts were aimed at improvements in the flow of communications, elimination of bottlenecks and the enhancement of procurement planning through a working group on procedures, procurement seminars and the issuance of further guidelines related to the procurement process. This work is of an ongoing nature.

12. In the course of reform, the Department of Development Support and Management Services has sharpened its focus on the issues of measurability, accountability, overview and feedback in the management of technical cooperation activities. Numerous actions were taken for strengthened and more forward-looking development assistance in several target areas. The process of internal reform includes an ongoing critical review of the Department's internal capacities to ensure that the skills and experiences at hand can respond to evolving needs, both operational and normative, and developing, towards that end, a broad-based, flexible and responsive cadre of substantive specialists with sectoral, state-of-the-art expertise and capability for innovation, multidisciplinary cooperation and teamwork.

13. Prominent features of the reform of development assistance provided by the Department included much greater priority given to the national execution of projects, emphasis on technical support services at the programme and project levels, and scaling down of administrative and operational support services to projects.

Recommendation 2

14. This recommendation is effectively implemented through the action taken by the General Assembly in its resolution 48/218 B of 29 July 1994 to strengthen the executive responsibility of the Secretary-General by establishing the Office of Internal Oversight Services. The Secretary-General will continue to support the effective exercise by the Office of its functions and will welcome its contribution to improving management, accountability and oversight in the Organization. The Secretary-General believes that improving the coordination of activities between the Board of Auditors, the Office of Internal Oversight Services and the Joint Inspection Unit will enhance the efficiency of oversight function in regard to the Secretariat.

Recommendation 3

15. The Secretary-General concurs with the recommendation. The appropriate measures for the establishment of the financial liability of the staff and consequential enforcement actions are being examined with a view to modifying the existing provisions concerning personal responsibility and financial liability as contained in the Financial Regulations and Rules and Staff Regulations and Rules. As an initial step in that direction, an information circular was issued defining terms of reference for investigation by the Office of Internal Oversight Services of mismanagement, misconduct, waste of resources and abuse of authority. 5/ It is also intended to define clearly the types of violations that may entail financial liability according to the degree of fault, the gravity of the violation and the extent of loss sustained by the Organization. Specific regulations and rules are required to establish a complete system for administration of the proposed recovery action, including procedures for initiating such action and the method for enforcing the decisions of the bodies conferred with jurisdiction in this matter.

16. A code of conduct is being prepared by the United Nations Secretariat, which will establish the fundamental duties and obligations of staff members and will hold them accountable for full compliance with such duties and obligations.

Recommendation 4

17. The recommended course of action has been pursued by the Secretary-General since the beginning of the 1990s through the development and implementation of the Integrated Management Information System (IMIS), which represents a powerful enhancement, through the application of information technology, of internal controls and accountability. The report would undoubtedly have benefited from a more extensive coverage and analysis of the Secretariat's efforts in this area.

18. The most recent management plan regarding IMIS is reflected, inter alia, in the Secretary-General's Bulletin of 27 April 1995 (ST/SGB/276), which defined and assigned the responsibilities for implementation and operation of the system. The IMIS Steering Committee is responsible for continuously reviewing and monitoring the progress of a detailed work plan. Implementation activities also embrace offices away from Headquarters.

19. Heads of offices away from Headquarters have been informed about their personal responsibilities with regard to implementation and operation of IMIS. The cleansing of personnel records has been successfully completed.

20. As a result of an interim review, the project has been reprogrammed and rebudgeted. In order to limit the resources required, the scope of the project was reduced to four releases instead of five.

21. In the course of preparation for the IMIS release on payroll, the cleansing of records was completed in two phases: for staff members and for dependants. The circulation of printed records to all staff has not been undertaken as yet since efforts have concentrated on the cleansing of the dependants' records, which had not been verified for several years. Also, in preparation for Release 3, the records in IMIS and payroll were reconciled and synchronized. Since mid-1995, the payroll has been based on IMIS records. A new automated fact sheet has been developed by the United Nations Development Programme (UNDP), in cooperation with the United Nations, and it will be used, once produced in the second half of 1996, for further verification of the records with the staff.

22. Another important component of the Secretary-General's information systems strategy was the implementation of the optical disk system, which proceeded as planned, achieving noticeable results during the last year. The resources for the development of the project became available in January 1994 and its expansion planned for 1994-1995 was fully achieved, both in New York and Geneva, by July 1995. Since the technical environment was completed, the number of users has increased to over 800 at the present time. Assuming a continuing accelerated rate of connection of new users, the target figure of 1,620 users will definitely be reached before the end of 1997. Retrieval stations providing additional services to users not directly connected to the system are now in operation in the Dag Hammarskjöld Library, the General Assembly Hall and the Security Council Chamber, among other places.

23. As documents are issued in both New York and Geneva, they are all stored in the system in all languages. In addition, the system contains all resolutions adopted by the principal organs of the Organization since 1945. Juke boxes were added at the end of 1994, as projected. Large-capacity database servers were installed in June/July 1995 in Geneva and New York, replacing the initial small servers installed in February 1992 for a limited number of users.

24. Through the joint efforts of the Department of Public Information, the Electronic Services Division and the Technological Innovations Programme of Conference Services, a system will be put in place by the end of 1996 that will allow the complete collection of United Nations documents now stored in the optical disk system to be accessible through the Internet. The project concerning the use of bar codes in all documents to facilitate archiving on the optical disk as well as distribution and stock-control functions has been completed. The calendar of conferences is accessible electronically through the Internet.

25. In the course of introducing modern technologies to conference services, over 160 translators and editors have been provided with workstations, which are

being used for on-screen translation and editing, as well as for terminological and reference searches. With a view to the introduction of machine-assisted translation, the search for an adequate software package is being conducted as expeditiously as possible.

26. A major achievement in the field of electronic transmission of documents has been the remote translation and text-processing in all languages at Headquarters locations of all documentation generated by the Ninth United Nations Congress for the Prevention of Crime and the Treatment of Offenders, held in Cairo, and the Fourth World Conference on Women, held in Beijing, both in 1995, and the ninth session of the United Nations Conference on Trade and Development, held in Johannesburg, South Africa, and the United Nations Conference on Human Settlements, held in Istanbul, Turkey in 1996. No reference, translation or text-processing staff have had to travel to the conference sites.

27. There is a continuous monitoring of implementation of the Technological Innovations Programme by the Director of Conference Services and the Assistant Secretary-General for Conference and Support Services. The Electronic Documentation and Publishing Unit of Conference Services has been attached to the Technological Innovations Programme in order to consolidate resources available for the development and introduction of more advanced technology in conference-servicing operations and to ensure a coordinated approach in that area. The Unit is currently working on issues related specifically to the production of documents in electronic form, including a comprehensive approach to the electronic flow of documents through all the stages involved in their processing.

28. All these technological advances have contributed to strengthening management, accountability and oversight throughout Conference Services.

Recommendation 5

29. The Secretary-General notes that the thrust of the recommendation coincides with his strategy in this area. While specific comments concerning management development and training programmes are contained in paragraphs 34 to 42 below, the following information regarding the involvement of talents and ideas of all staff in continual operational improvement is of note. Since starting its work, as described in paragraph 4 above, the secretariat of the Efficiency Board has received hundreds of valuable proposals from departments, the New York Staff Committee and individual staff members. The process of summarizing and reviewing the efficiency proposals is under way. In the same vein, the United Nations Office at Vienna invited all of its managers and staff to identify efficiencies and, in a very short time, received 200 ideas. Some 106 efficiency projects were selected, all with savings and performance benefits.

30. It should be noted that managers are encouraged to adopt a "bottom up" approach in conducting their department- or office-led reviews, as well as cross-cutting reviews involving issues that affect more than one department or office. Managers have received efficiency training and are being strongly motivated to listen and to make sure that individual staff at all levels drive the process of improving the work of their units. Programme managers are also

being encouraged to consult their departmental staff representatives throughout the process.

Recommendation 6

31. The Secretary-General concurs with the recommendation and in his capacity as the Chairman of the Administrative Committee on Coordination will continue to support the efforts of inter-agency bodies to enhance accountability, management and oversight system-wide.

Recommendations 7 and 8

32. The Secretary-General supports the recommendations.

Recommendation 9

33. The Secretary-General concurs with the thrust of the recommendation, subject to comments on recommendation 1 in paragraph 3 above. The specific modalities and periodicity of such reporting are decided by the General Assembly.

III. SPECIFIC COMMENTS

Management development and training (paras. 107-115)

34. The Secretary-General notes that, regrettably, the actual situation regarding management training in the United Nations Secretariat was not properly reflected in the report. The Secretariat's Comprehensive Management Development Programme was inaugurated in 1992 and by 1994 the first round of senior management retreats by departments and offices had been conducted at Headquarters and at the offices away from Headquarters, including all the regional commissions. That first round of management training laid the foundation for the current programme, which is designed to strengthen the people-management capacity of senior managers of the United Nations Secretariat.

35. As a key element of the Secretary-General's strategy for the management of human resources in the Organization, the Secretariat is now systematically implementing a programme of people-management training designed to develop a more result-oriented culture of performance. The programme, begun in July 1995, is being implemented in a "top down" manner starting with staff at the D-1 and D-2 levels. Thus far, 240 staff have participated and the programme will next extend to middle-level managers. It is expected that by the end of 1997 an additional 600 staff will have attended.

36. The programme is based on 10 managerial competencies, which correspond broadly to those developed by the Subcommittee on Training of the Consultative Committee on Administrative Questions. As an integral part of the programme, staff assess themselves and are assessed by their boss, peers and staff, then receive feedback on how they are perceived in relation to the 10 managerial competencies.

37. Other modules of the Comprehensive Management Development Programme have been developed and delivered in United Nations administration, work management, including strategic planning, problem-solving and decision-making, leadership, management of diversity, gender and culture, and management of information and communications.

38. Although overall shortage of funds for training continues to be a problem, training remains a significant priority of the Secretariat activities. The training budget has been increased substantially in recent years, with emphasis on outlays on management-related programmes. However, funding for training has recently been reduced in accordance with the provisions of General Assembly resolutions 50/214 and 50/215 of 23 December 1995 and, furthermore, continues to lag behind the United Nations Children's Fund (UNICEF), UNDP and most commensurate public and private sector expenditures on training.

39. The training in general principles of management is reinforced by management training in specialized areas. The formal training of procurement personnel began in 1995 and will continue. By now all eligible staff of the Procurement and Transportation Division have successfully completed the training programme. In 1996, the programme was further expanded to include management training to improve the professionalism, capacity and skills of procurement managers.

40. In order to improve the quality of management in the field, a one-month on-the-job training programme at Headquarters for procurement personnel for peace-keeping missions has also been instituted. In addition, procurement personnel from Headquarters began receiving field training through assignment to field missions on a short-term basis. 6/

41. In the area of technical cooperation, the skills of procurement staff in the Department for Development Support and Management Services have continued to be enhanced by training activities. In November 1994, UNDP conducted a training course on project design in the context of programme approach and in 1995, a series of courses was organized by the United Nations Office for Project Services and the Inter-agency Procurement Services Office.

42. In connection with the implementation of IMIS, a programme of training for managers, substantive and technical staff was launched, that also included offices away from Headquarters. A group of 11 staff from five offices spent one full month in training at Headquarters in January-February 1996.

"Benchmarking" (para. 52)

43. These proposals are of direct relevance to the efforts currently being undertaken in the Secretariat. A network action team in Conference Services has initiated the development of a methodology for benchmarking by unit and by sets of units, including cost as a performance indicator.

Information Systems Coordination Committee (para. 176)

44. It should be clarified that standard inter-agency procedures were followed in the appointment of Professional staff for this Committee, including

nomination of candidates by organizations and agencies, interviews with nominees in October 1994 and drawing up a short list for review by the Administrative Committee on Coordination. The Secretary of the Committee was appointed and took office in May 1995. Concerning the observation on a "slow start" of the strategic planning task force, it completed its work on schedule and presented its report to the second meeting of the Information Systems Coordination Committee, held in Geneva in April 1995, and subsequently to the Administrative Committee on Coordination.

Part II, table 6

45. The entry under "United Nations Secretariat 1993" should read:

> Local Area Network (LAN) wiring for some 5,000 microcomputers has been completed at New York Headquarters. Standard software, electronic mail for over 3,000 users and Internet Gopher and World Wide servers have been installed.

Notes

1/ See the report of the Secretary-General on the establishment of a transparent and effective system of accountability and responsibility of 5 August 1994 (A/C.5/49/1) for details.

2/ See the Secretary-General's Bulletin of 14 January 1994 (ST/SGB/270) for details.

3/ See the Secretary-General's Bulletin of 30 November 1995 (ST/SGB/281) for details.

4/ Official Records of the General Assembly, Fiftieth Session, Supplement No. 6 (A/50/6).

5/ Information circular of 25 April 1996 (ST/IC/1996/29).

6/ For further details on this issue, see the report of the Secretary-General of 9 February 1996 (A/C.5/50/13/Rev.1), paras. 20 and 21.